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SENATE MEMORIAL 93

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

Pete Campos

A MEMORIAL

REQUESTING THE LEGISLATIVE FINANCE COMMITTEE, THE DEPARTMENT OF FINANCE AND ADMINISTRATION AND THE LEGISLATIVE COUNCIL SERVICE TO COLLABORATE ON A PROCESS TO PRIORITIZE, REVIEW AND MONITOR CAPITAL OUTLAY PROJECTS.

WHEREAS, the state presently has no uniform means for setting priorities for the expenditure of capital outlay funding when some capital outlay funds reflect the priorities of legislators and others reflect the priorities of the governor; and

WHEREAS, uniformity of evaluation becomes even more difficult when some capital outlay projects are well on their way to completion while other exciting initiatives languish for lack of start-up money; and

WHEREAS, the needs of legislative districts vary so widely

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1 that some districts may lack even minimally graded roads that  
2 enable students to attend schools while others refine the  
3 texture of asphalt at baseball field parking lots, and some  
4 districts have no playgrounds while others use capital outlay  
5 funds to refurbish elegant buildings; and

6 WHEREAS, some capital outlay projects that otherwise would  
7 not be evaluated as a high priority become a priority if they  
8 must meet a deadline in order to draw down matching funds from  
9 other sources, and matching funds can save the state money in  
10 the long run; and

11 WHEREAS, setting priorities so that the state's voters are  
12 treated equitably can be next to impossible, given the variety  
13 of needs, the levels of project completion and the urgency  
14 presented in communities across the state; and

15 WHEREAS, some capital outlay projects can be funded in  
16 phases while others require all of the money at once in order  
17 to be completed; and

18 WHEREAS, even though basic capital outlay priorities lack  
19 a standard framework for evaluation, models of evaluation have  
20 already been set for public schools, for roads with federal  
21 funding and for New Mexico Finance Authority Act projects; and

22 WHEREAS, it appears that a committee or working group  
23 representing competing interests presented by geographic and  
24 population disparity would be helpful in sorting through  
25 priorities and devising a framework by which to weigh the need

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1 for, versus the availability of, capital outlay funds; and

2 WHEREAS, while oversight and review of existing projects  
3 are currently provided by a variety of departments with a  
4 variety of standards, a single mode of evaluation and review  
5 would aid the state in deciding whether to continue or to  
6 divert funds that have been allocated to a capital outlay  
7 project;

8 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE  
9 OF NEW MEXICO that the legislative finance committee, the  
10 department of finance and administration and the legislative  
11 council service be requested to collaborate on a process to  
12 prioritize, review and monitor capital outlay projects; and

13 BE IT FURTHER RESOLVED that the three entities establish a  
14 capital outlay planning and review committee; and

15 BE IT FURTHER RESOLVED that the committee be granted the  
16 authority to request an audit by the state auditor or a  
17 financial compliance or performance audit by the department of  
18 finance and administration or the legislative finance  
19 committee; and

20 BE IT FURTHER RESOLVED that, by January 1, 2010, the  
21 committee recommend to the legislature through the appropriate  
22 interim committee a framework for:

23 A. making priority-setting for capital outlay  
24 projects more uniform;

25 B. establishing procedures to ensure current and

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1 complete accounting and reporting on capital projects; and  
2 C. analyzing requests in light of the critical  
3 needs of the state; the need for the capital project; the  
4 ability to phase the capital project, if necessary; the ability  
5 of the recipient to provide adequate staffing and funding for  
6 future operations; the expected useful life of the capital  
7 project; the available alternatives to the capital project; the  
8 availability of matching funds; and other considerations as  
9 determined by the committee; and

10 BE IT FURTHER RESOLVED that the capital outlay planning  
11 and review committee invite representatives of federal agencies  
12 that provide loans and grants to New Mexico communities to  
13 participate in its meetings and invite others who influence the  
14 amount and type of funding available for capital outlay  
15 projects; and

16 BE IT FURTHER RESOLVED that copies of this memorial be  
17 transmitted to the legislative finance committee, the  
18 department of finance and administration and the legislative  
19 council service.